



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

RQ-2

Steven Dalhoff, Treasurer
Dynergy Inc. Political Action Committee
1000 Louisiana Suite 5800
Houston, TX 77002

Identification Number: C00350363

JUL 31 2002

Reference: Amended April Monthly Report (3/1/02-3/31/02), dated 4/30/02

Dear Mr. Dalhoff:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

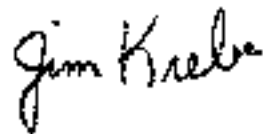
-Line 23 of the Detailed Summary Page of your report discloses a total of \$3,000 in contributions to federal candidates/committees. The sum of the entries itemized on Schedule B, however, indicates the total to be \$2,000. Please note that the dollar amount of a memo entry is not included in the total figure for the schedule. Please amend your report to clarify this discrepancy.

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the amount deducted per pay period and the frequency of the deduction. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

A response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. Electronic filers must file amendments (to include statements, designation and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530 (at the

prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,



Jim Krebs
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A (FEC Form 3X) ITEMIZED RECEIPTS		Use separate Worksheet for each category of the Detailed Summary Page	FOR LINE 11(a) REPORT: (check only one)	Page 1 of 1
Any contribution deposit from such Reports and Expenses may not be sold or used by any person for the purpose of obtaining contributions or for commercial purposes, after the filing of this report and subject to any Federal restrictions on such contributions from such activities.		<input checked="" type="checkbox"/> 11a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 12		
NAME OF COMMITTEE OR RA				
Critical Reason Inc. PAC				
Full Name (Last, First, Middle Initial)		DATE OF RECEIPT		
A. Frank, Emmanuel		11/11/11		
Mailing Address		Amount of each deduction		
5 Chidiquet Ave		(\$15 biweekly) ^a		
City State Zip Code		Amount of each deduction this Period		
Birmingham VA 22332		80.00		
FED ID number of distributing federal political committee		C		
Name of Employer		Description		
Critical Reason Inc.		Executive Officer		
Receipt For		Applicable "Net-to-Net"		
<input type="checkbox"/> Primary <input type="checkbox"/> Casual <input type="checkbox"/> Other (specify)		880.00		

^aAdding Memo Text/Explanation: When using FECFile electronic filing software, this information can be entered using the "memo text" window. To make a "memo text" entry, select the "View" menu on the FECFile toolbar. Select "All Transactions." Single click (highlight) the transaction to which the "memo text" will be attached. Then select the "Edit" menu on the toolbar and select "memo text."

^bWhen using FECFile electronic filing software, enter this information in the "description" field

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, type "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.3(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(1) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

